

**[Advisory Opinion 1997-16]**

November 12, 1997

[Name1 withheld]

Dear [Name1 withheld]:

The Ethics Commission has reviewed your letter of July 8, 1997 in which you discussed a situation involving [Name2 withheld], a Commissioner with the Housing Opportunities Commission (HOC). As you explained, the Commissioner's daughter has purchased a residence and intends to apply for a loan from the Mortgage Purchase Program, a program offered by the HOC. Although you indicated that you did not believe the facts raised ethical concerns, you felt it was appropriate to consult the Ethics Commission.

In your letter, you stated that the HOC issues tax exempt bonds from which funds are utilized to provide mortgages for certain qualified individuals to purchase single family homes in Montgomery County. HOC approved lenders receive purchaser applications and present them to the staff of the HOC. The HOC staff approves qualified applications. The HOC purchases the closed loans and then contracts with another private lender for servicing of the loans. According to the information you provided, HOC Commissioners do not typically participate in matters pertaining to particular loan applications. However, the Commissioners may address general matters relating to underwriting or loan term issues. You have assured the Ethics Commission that [Name2 withheld] would recuse himself from all activities relating directly or indirectly to his daughter's loan application.

Based upon your representations, the Ethics Commission concurs with your general assessment of [Name2 withheld]'s situation. He does not need to obtain a waiver of the conflict of interest provisions in the Ethics Code because he will not participate in any matter affecting his daughter's loan.

Very truly yours,

[signed]

Laurie B. Horvitz, Chair